

Atari Sues to k.o. Competition

SAN FRANCISCO, Ca.—Atari, Inc., has filed suit here against Activision, Inc., of Sunnyvale, California, charging trademark violations and theft of trade secrets. Atari claims that Activision is using trade secrets which are the property of Atari in the development and production of game cartridges for the Atari video game system.

When contacted by *InfoWorld*, Jim Levy, president of Activision, said that he was "surprised and mystified by the suit." Although the founders of Activision include four former Atari employees, he stated that no Atari trade secrets were being used.

Levy noted that he had made an offer to Atari to appoint a neutral third party to review all of Activision's development operations to insure that no information proprietary to Atari was in use. But Activision's offer was ignored, and the suit was subsequently filed by Atari.

Levy expressed consternation that Atari did not want to encourage third party software vendors for the Atari game system. "Other manufacturers have been approaching us, asking us to develop games for their systems, but Atari seems to want to be the only



The Activision design team. (Left to right) Bob Whitehead, David Crane, Alan Miller (upper right), and Larry Kaplan.

source for Atari-compatible cartridges," he said.

The trademark violation charged by Atari involves the name DRAG STRIP, which was the name given to a prototype Activision game. Levy said that the name was changed to DRAGSTER when the Atari objection surfaced and before any production versions were

released. "They could have settled that one with a phone call," he said. "They didn't need to go to court. It isn't worth fighting over."

When contacted by *InfoWorld*, Ginny Juhnke of Atari said only that the suit was still in the discovery stage, and that Atari had no further comment.